

Message Text

LIMITED OFFICIAL USE

PAGE 01 OTTAWA 03933 292132Z

70

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-07 INR-07 LAB-04

NSAE-00 SIL-01 PA-01 PRS-01 USIA-06 /040 W

----- 058584

R 292047Z SEP 76

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC 1220

LIMITED OFFICIAL USE OTTAWA 3933

E.O. O. 11652: N/A

TAGS: ECON, CA

SUBJ: CHAMBER OF COMMERCE DROPS SUPPORT FOR AIB

BEGIN UNCLASSIFIED

1. LOCAL PRESS REPORTED SEPTEMBER 29 THAT CANADIAN CHAMBER OF COMMERCE HAS VOTED AT ANNUAL MEETING IN MONTREAL TO WITHDRAW SUPPORT FROM GOC ANTI-INFLATION PROGRAM. HOWEVER, RESOLUTION ADOPTED BY NEARLY UNANIMOUS VOTE ALSO SAID CHAMBER OF COMMERCE MEMBERS SHOULD COOPERATE WITH PROGRAM WHILE IT IS IN EFFECT.

2. CHAMBER OF COMMERCE EXECUTIVE DIRECTOR SAM HUGHES WAS REPORTED AS SAYING RESOLUTION WAS "PARTLY A PROPAGANDA MOVE," AND MEMBERS DEFEATED RESOLUTION CALLING FOR END OF PROGRAM BY APRIL 1977.

3. RESOLUTION ADOPTED BY CHAMBER REPORTEDLY STATED MEMBERS WOULD SUPPORT SOME OTHER FORM OF TEMPORARY CONTROLS IF PROGRAM ALLOCATED BURDEN FAIRLY BETWEEN BUSINESS, LABOR, AND GOVERNMENT, ENCOURAGED JOB CREATION AND INVESTMENT AND ENCOURAGED RESTRAINT OF GOVERNMENT SPENDING. END UNCLASSIFIED

BEGIN LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OTTAWA 03933 292132Z

4. COMMENT: WITHDRAWAL OF CHAMBER SUPPORT FOR GOC

ANTI-INFLATION PROGRAM HAS BEEN RUMORED FOR SOME TIME FOLLOWING PUBLIC STATEMENTS BY CHAMBER OF COMMERCE OFFICIALS CRITICIZING NEW AIB REGULATIONS PROPOSED BY FINMIN MACDONALD LAST MAY AND MODIFIED BY HIM IN SEPTEMBER. ONE DAY EARLIER THAN RESOLUTION VOTE, AIB MORE THAN DOUBLED (TO 500) NUMBER OF FIRMS THAT MUST NOTIFY AIB OF PRICE CHANGES AND REPORT COST AND REVENUE DATA FOR PRODUCT LINES. THIS ACTION PROBABLY CONTRIBUTED TO SUPPORT FOR RESOLUTION.

5. EFFECT OF CHAMBER RESOLUTION WITHDRAWING SUPPORT WILL PROBABLY BE MORE PSYCHOLOGICAL THAN ACTION-ORIENTED SINCE RESOLUTION ALSO CALLS FOR MEMBERS TO COOPERATE WITH PROGRAM. GOC OFFICIALS WILL BE LESS ABLE TO CLAIM WIDE PUBLIC SUPPORT FOR PROGRAM, AND ORGANIZED LABOR, PLANNING "NATIONAL DAY OF PROTEST" FOR OCTOBER 14 CAN POINT TO RESOLUTION AS FURTHER EVIDENCE OF PROGRAM'S UNPOPULARITY AND DAMAGE TO BARGAINING PROCESS. (HOWEVER, IT REMAINS TO BE SEEN HOW FAR CLC WILL TAKE THIS NEW-FOUND SUPPORT FOR OPPOSITION TO CONTROLS SINCE SOME CHAMBER OFFICIALS IN SPEECHES TO ANNUAL MEETING SHARPLY CRITICIZED ORGANIZED LABOR FOR CONTINUING HIGH WAGE DEMANDS WHILE BUSINESS UNDER PROFIT RESTRAINTS.)

6. RESOLUTION UNDERLINES GROWING OPPOSITION TO CONTROLS AND PUTS PRESSURE ON GOC TO FORMULATE SCHEME FOR PHASING OUT ANTI-INFLATION PROGRAM.
ENDERS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, PROGRAMS (PROJECTS), RESOLUTIONS, ANTIINFLATIONARY PROGRAMS
Control Number: n/a
Copy: SINGLE
Draft Date: 29 SEP 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: BoyleJA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976OTTAWA03933
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760369-0398
From: OTTAWA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t1976097/aaaaafxr.tel
Line Count: 90
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: BoyleJA
Review Comment: n/a
Review Content Flags:
Review Date: 13 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <13 APR 2004 by greeneet>; APPROVED <03 AUG 2004 by BoyleJA>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CHAMBER OF COMMERCE DROPS SUPPORT FOR AIB BEGIN UNCLASSIFIED
TAGS: ECON, CA
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006